

International Guest House

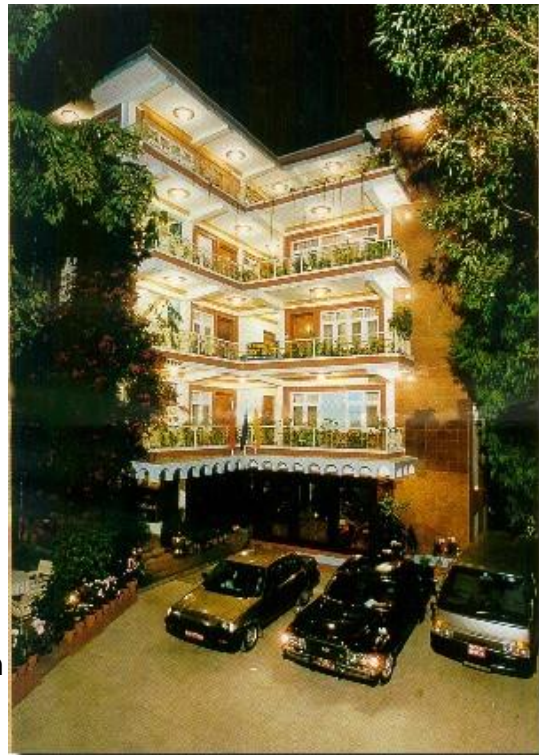
International Guest House is a star-rated hotel in the city of Kathmandu, Nepal. It is strategically located in the popular Thamel tourist district, where visitors from around the world come to shop for souvenirs and to visit the area's multicultural restaurants. International Guest House's room rates are inexpensive, but the facilities are clean, attractively decorated, and comfortable. All rates for rooms in the hotel are quoted in US\$ and payments are taken in this currency to avoid foreign exchange differences and the fluctuating nature of the Nepali Rupee versus other currencies.

The Hotel has a web site, located at

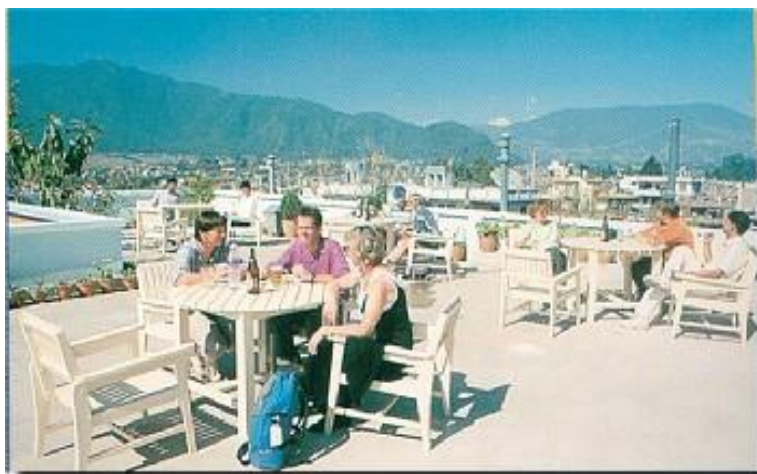
<http://www.intgquesthouse.com/>

The site attracts tourists who are planning to visit Nepal and who need to stay for one or more nights in Kathmandu, often before transiting to other locations in the country, such as the:

- Mount Everest area
- Annapurna region for trekking
- Royal Chitwan National park of the south for safaris.



The International Guest House, Kathmandu, Nepal



Visitors learn about the location of the web site through the use of Google, travel web sites, or through word of mouth. Another way they learn about the web site is through a brochure for the hotel which is given to a visitor as part of a tour group information package. The photos in this case study are taken from that brochure. International Guest House is not well known but many tour companies give out the hotel's brochure or web site address.

The Internet is now available in Nepal, but not used by most of the citizens. The country is not a wealthy one, being on one of the ten poorest countries in the world. Most of its citizens live and work in rural areas, typically earning their living from agriculture. In the city of Kathmandu and in a couple of the other major tourist destinations in the country, the Internet has become available through

numerous Internet cafes in popular tourist areas. Also, some private individual citizens and businesses have it available in their homes or businesses.

Nepal is a mountainous country, sandwiched between India on the south and Chinese occupied Tibet on the North. It has been a popular tourist destination since the 1950's when trekkers wishing to explore the Himalayas and hippies seeking social freedom began visiting the country in large numbers. Today Nepal is a favorite destination of Europeans, North Americans, and affluent Asians from such countries as Singapore, Japan, and South Korea.



Two distinct age groups visit Nepal:

1. Young people, aged 18-25, who typically backpack and are on longer trips. Individuals in this group visit Nepal for up to two months or longer and like to stay cheaply as they are often on a tight budget. This group often uses the Internet, both in their home country and in Nepal's Internet cafes.
2. The second group are middle and older aged tourists, ranging from 40-60 years of age. Individuals in this group are likely to book their trip through a travel agent and purchase a package deal which includes their flights, hotels, and activities. This group is less likely to use the Internet than the younger visitors to Nepal, but are much wealthier. A typical vacation for this group takes about 2 weeks.

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Questions for Consideration:

Important: Please do not ask the hotel questions regarding this case. Do not attempt to complete a reservation in order to try out the reservation form on their web site. This would be very inconsiderate and a waste of the hotel's time.

1. How well is the International Guest House using the Internet to market themselves? How could they improve their use of the Internet?
2. How do logistics problems affect how the company uses the Internet?
3. How could the hotel generate more sales for itself, other than by using the Internet?
4. What impact might a web site like Tripadvisor.com have on the success of the International Guest House?

The author thanks Ganesh Khadka and the International Guest House for two happy stays at the hotel and the